

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 12, 1996

SUBJECT: **SB 2692 - HB 2602**

This bill, if enacted, will transfer the pharmacy portion of TennCare to the community health agencies.

The fiscal impact of this bill is estimated to be a decrease in state revenues from loss of Federal funds. According to the Bureau of TennCare Federal regulations require a single state agency to manage the Medicaid/TennCare program. Allowing the pharmacy program to be administered by a separate agency would violate Federal regulations. The potential loss of Federal funds could exceed \$100,000,000 now funding the pharmacy program.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director